

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7102**

**BILL NUMBER:** SB 390

**NOTE PREPARED:** Jan 4, 2011

**BILL AMENDED:**

**SUBJECT:** Regional sewer districts.

**FIRST AUTHOR:** Sen. Leising

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** *Elected Trustees.* This bill requires that the board of trustees of a regional sewer district must be elected. The bill provides for the transition from an appointed to an elected board.

*Connecting to Sewer System.* The bill provides that a district may not require a property owner to discontinue use of a septic tank and connect to the district's sewer system if the property owner certifies that the septic tank is functioning satisfactorily. (Under current law, a property owner is exempt from connecting to a sewer system if the property owner's septic tank soil absorption system is less than 5 years old and satisfies other conditions.)

*Rate Charges.* A board may consider the need for a minimum service charge, rather than a flat connection charge, when determining rates and charges. The bill authorizes a board to exercise reasonable discretion in temporarily adjusting fees to reflect a user's nonuse of water, sewer, or solid waste services.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Elected Trustees.* County election officials would need to add the names of the trustee members to the ballot. There would be a minimal increase in ballot printing costs in counties with optical scan voting systems. Counties with direct recording electronic voting systems would be able to input the office into the system without additional expense.

**Explanation of Local Revenues:** *Connecting to Sewer System.* The proposal could decrease the number of property owners who connect to a sewer system. A decrease in the number of owners who connect would reduce the amount of revenue generated for the sewer district. The specific impact is indeterminable.

*Rate Charges.* Adjusting or changing rates would have an impact on the amount of revenue generated for the district. The impact will depend on local action.

**State Agencies Affected:**

**Local Agencies Affected:** Counties, regional sewer districts.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.